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THE NEW ECONOMICS AND THE DEAF

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Anyone exposed to the news media must have heard about "The New Economics," in one context or another, more than likely as it relates to the Administration's attempts to balance the budget, curtail inflation, reduce unemployment, or some equally impressive maneuver. I knew very little about the old economics, so it was no surprise that I failed to follow the "new economics." I had assumed that the economy had something to do with how much money I had in my pocket, or at least the purchasing power of that money. I supposed that it also had something to do with conditions our deaf graduates would find as they entered the world of work. Since these are both matters of serious concern, it seemed reasonable to attempt to explore the "new economics." This was like sending the proverbial boy to do a man's job, and I must admit to failure. I never did learn just what the "new economics" refers to. Apparently it means different things to different people and it appears to depend upon who is doing the interpreting.

In the course of these explorations I did come upon some facts about our economy which, while not necessarily part of the "new economics," were new to me. More important, if I interpret these facts correctly, they may have a profound influence on my work as an educator and most certainly upon the lives of deaf workers. In a way this "new" information is related to technology and technological change, and so seemed a fitting topic at this meeting on technology and education of the deaf.

Despite a firm conviction that the early years are crucial in the education of a deaf child, this has not diminished our concern with the occupational future of the young children we work with at John Tracy Clinic. Parents are understandably interested in employment

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opportunities for their children, and it is our responsibility to provide them with realistic and factual information.

I had heard over and over about how the deaf were underemployed (1). I had also heard about the speed with which technology, and particularly automation in the production of goods, was rapidly eliminating the need for unskilled labor (3). For example, computer-controlled equipment and new photographic procedures were eliminating the linotype and with it many of the positions held by deaf people.

This, I assumed, was the result of not paying enough attention to high level technological training for deaf people. If there was to be job obsolescence because of technological change, the solution was to insist on more high level technical training for the deaf so they would have the ability to adjust to, and keep up with these new developments.

I remember discussions about the role the National Technical Institute for the Deaf should play in this problem. Should it be merely a glorified technical trade school, preparing deaf graduates for helpers' jobs, or should it be the MIT of deaf education, whose graduates would be so well prepared that they could keep ahead of the technological advances that were sure to occur? As technology "took over," there would be fewer and fewer jobs for people without the highest level of technical training; those who would, in fact, "run the machines" that replaced the workers.

I was also concerned that our schools were not preparing deaf students to make appropriate use of the leisure time that was certain to accompany this rapid growth in technology. The 40-hour week would be reduced to 35 or 30 hours, and we might all need help in making meaningful use of that leisure time.

Now that I have been exposed to a "new" perspective on our economic future, it appears that most of what I described will never take place. My introduction to this new appraisal of our economic future came from an article by Gilbert Burck (2). While some of his estimates may ultimately be somewhat in error, the main thrust of his argument is inescapable. His suggestions have thought-provoking implications for the educational and vocational lives of deaf people, and some equally interesting implications for education itself.

Burck points out:

> "Nothing is easier to take for granted in the U.S. than long-term economic growth, and a good many people ac-

cordingly take it for granted. The prophets of Automatic Abundance assure us that the economy of the 1970's will grow as effortlessly as crabgrass in a lawn, that technology has solved the classic problem of scarce resources.
". . . many A.A.'s believe that the day is near when people will no longer be condemned to long hours on life's treadmills, and that ambitious labor leaders who are warbling about the four-day and even three-day week are only anticipating the inevitable.

"The U.S. is and will remain a 'scarcity' economy—one that allocates its limited resources efficiently through the natural feedback system embodied in the profit motive and the market.

"Now that improving the quality of life has become national policy, productivity growth is all the more necessary. Controlling pollution, reviving mass transit, rebuilding cities, reducing crime, and providing ample medical care and education will put stupendous additional demands on the nation's resources. Only if our productivity, or output per man-hour, keeps rising at least as fast as it has been, can we do all that we want to do without sacrificing something desirable and important.

"The catch is that large and rapid shifts in employment patterns may soon begin to depress the rate of productivity growth. Prices of services will rise inexorably, producing new inflationary stresses. Contrary to all the predictions that automation will throw millions out of work, the scarcest of all resources will be manpower" (2).

His argument is based on an examination of the components of our gross national product ((GNP). Burck divides the total output into three categories: Production of Goods, that is, manufacturing, mining, farming, and construction; TUC which is Transportation, Utilities, and Communication; and Services, which include government, trade, finance, and personal services. He examines the history of these three components of our economy during the past 20 years and projects what they may reasonably be in the future.

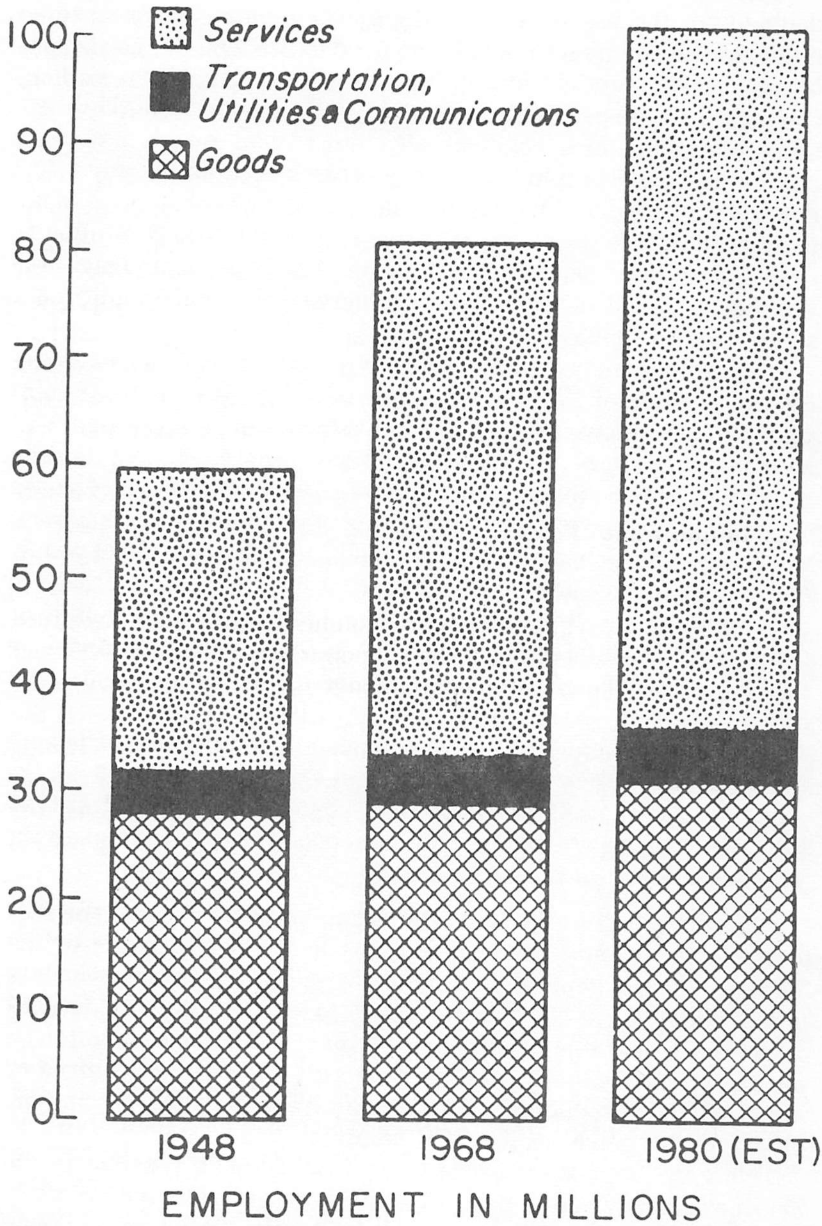
During the past 20 years the output of goods has more than doubled but the productivity of the goods industries increased so much that the number of people required to produce the goods rose by only approximately one million people from 28 to 29 million. During this same period the output of the Transportation, Utilities and Communications segment also more than doubled but the number of people employed in those areas increased by only a few hundred thousand to some 4½ million. During this same 20 years the number of people providing Services increased from 28 million to nearly 48 million, or an increase of roughly 70 percent. Thus, services contributed nearly all of the increase in total employment since 1950, as illustrated in Figure 1.

The employment figures are even more striking if we examine the projections for 1980. By that time it is expected that our total GNP will have increased by at least two-thirds and employment will have increased by nearly 25 percent. The estimates suggest that the number of people employed in the production of goods will increase 6 percent above the present level. Employment in the TUC segment will increase by only a few hundred thousand. The number of people engaged in Service activities will account for the major increase in total employment. It is predicted they will increase to 65 million or nearly two-thirds of all the jobs. To give you some comparison figures, 65 million is nearly equivalent to the total employment figures in 1958.

Rather than having to worry about meaningful use of leisure time, our problem is going to be to find enough labor to fill all the jobs. The Service sector is expanding rapidly enough to absorb all the time that is saved by more efficient goods production and all the yearly additions to the labor force.

The differences in the growth of employment in the three sectors of our economy are largely because the very essence of the Service sector is generally a one-to-one personal contact, whereas in the production of goods it is possible to increase the productivity of workers by additional capital investment. A machine can often be purchased that will either reduce the amount of labor required or increase the productivity of those already employed in the production of goods or the TUC complex.

No general substitution of capital for labor is possible in the Service sector, where many of the services are valuable precisely because they involve a lot of specialized time-consuming personal effort. Furthermore, the service workers tend to work fewer hours



Comparison of total labor market in U.S. from 1948 through 1968 and projection through 1980.

than goods workers, and they are probably less efficient primarily because the Service sector is not highly competitive. Nearly a third of service employment is accounted for by government and private nonprofit organizations. Nearly half have some kind of monopoly position that may encourage them to increase their output, but not necessarily to improve their efficiency. For example, there are nearly five million educators employed by state and local governments. By the greatest stretch of imagination this cannot be thought of as a highly competitive area. The number of teachers increased from 1,500,000 in 1947 or at a rate ten times as fast as the total population and three times as fast as the number of students. If we attempt to measure educational efficiency it is clear that productivity has declined. One might expect that since there are now fewer pupils per teacher, the quality of education would have improved, but there is little evidence for anything like a three-fold improvement in the quality of our output since 1947.

I must confess that these figures came as a considerable surprise to me. I had no idea that the Service sector required such a large part of our labor market, nor that we faced the built-in limitations to increased productivity.

One implication of this line of reasoning has to do with the future of technology in education. If the economic predictions are correct that we will not have an over abundance of labor, then we must predict that the cost of that scarce labor will continue to rise. If the number of people engaged in education has increased by three and a half million since 1947, or at a rate three times as fast as the number of pupils, we might expect hhat the trend toward fewer pupils per teacher will continue. Those concerned with fiscal planning and budgeting for education realize that we are not drawing from a bottomless well. Anyone, with even a mild streak of pessimism, will predict that we may be in for troubled timms when there will not be enough money to go around. I think we are beginning to see some evidence of this kind of trouble in our California University and State College system at the present time.

By and large, in the Service sector, it is not possible to substitute capital for labor. There are not many machines that can reduce the amount of labor required or increase the productivity of those already employed. The possible exception, and a very exciting one, is in the field of educational technology. It may be that the consequences of the trends outlined here will force a more rapid acceptance of technology upon education, than even the most enthusiastic disciple would have dared to dream. If we cannot find or afford enough teachers, we may be forced to determine the extent to which the machine, in one form or another, can be used to assist the teacher and improve her efficiency.

Remember that efficiency, in the framework of this discussion means more pupils per teacher. We may have to rethink a great many concepts that we now hold about how education should be organized. Tomorrow's schools, whether we feel comfortable about it or not, may be much more mechanized. There may be more machine-student interaction, and video-taped lectures may be the rule rather than the exception. The teacher may change from her present role to a combination diagnostician, programmer, trouble shooter and coordinator, and she may end up doing a better job. The implications are challenging, but I wonder if we are ready for the challenge.

Still another implication for the deaf is that this line of reasoning may provide some guidelines for the thinking of those concerned with the preparation of young deaf people for employment. The opportunities may not be so great as I had anticipated for the highly trained technical person who would "run the machine" that replaces the workers, at least not in the area of goods production, where I imagined it would take place. We may need to explore the implications of this dramatic shift of employment to the Service sector for those who have a communication disability. Do we need a re-examination of the Service occupations to determine which ones place a premium on personal face-to-face communication, and which place a greater emphasis on technical skills and training? From the array of activities mentioned earlier, one might explore finance. I wonder if competent bookkeepers, accountants, financial analysts, and auditors might not be very successful without having to engage in a great deal of verbal communication. Would a well-qualified stock market analyst be underemployed because he was deaf? If there is to be a shortage of people to fill all of the jobs required in the Service area by 1980, perhaps we should begin some thinking along these lines.

If, as Burck's article seems to imply, the "good life" will generate the need for more workers in the personal services area, will we have to consider some re-education of our deaf students concerning the dignity of service?

I admit these are all very tentative questions. They reveal my lack of a comprehensive understanding of the deaf employment situation. On the other hand, I had no idea that in less than 10 years two-thirds of the labor force would be engaged in providing services, nor had I given any serious thought to the difficulty of increasing the efficiency of the Service sectcr. Perhaps, even though my figures are less than complete, and my questions a little fuzzy, they may hopefully "give you furiously to think."

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